

30290

**TRUST DEED**

Vol. 77 Page 9418

THIS TRUST DEED, made this 25 day of May 19<sup>77</sup>, between J. B. HENRY and THELMA A. HENRY, husband and wife -- - - - - as grantor, William Ganong, as trustee, and FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION of Klamath Falls, Oregon, a corporation organized and doing business under the laws of the United States, as beneficiary;

**WITNESSETH:**

The grantor irrevocably grants, bargains, sells and conveys to the trustee, in trust, with power of sale, the property in Klamath County, Oregon, described as:

Lot 30 in Block 310, DARROW ADDITION, according to the official plat thereof on file in the office of the County Clerk of Klamath County, Oregon.

which said described real property does not exceed three acres, together with all and singular the appurtenances, tenements, hereditaments, rents, issues, profits, water rights and other rights, easements or privileges now or hereafter belonging to, derived from or in anywise appertaining to the above described premises, and all plumbing, lighting, heating, ventilating, air-conditioning, refrigerating, watering and irrigation apparatus, equipment and fixtures, together with all awnings, venetian blinds, floor covering in place such as wall-to-wall carpeting and linoleum, shades and built-in ranges, dishwashers and other built-in appliances now or hereafter installed in or used in connection with the above described premises, including all interest therein which the grantor has or may hereafter acquire, for the purpose of securing performance of each agreement of the grantor herein contained and the payment of the sum of TEN THOUSAND AND NO/100  
\$10,000.00 Dollars, with interest thereon according to the terms of a promissory note of even date herewith payable to the beneficiary or order and made by the grantor, principal and interest being payable in monthly installments of \$101.50 commencing on June 20, 1973.

This trust deed shall further secure the payment of such additional money, if any, as may be loaned hereafter by the beneficiary to the grantor, or of any interest in the above described property which may be evidenced by a note or notes. If the indebtedness secured by this trust deed by evidence of more than one note, the beneficiary may credit payments received by it upon any of said notes in lieu of any payment on one note and part on another, as the beneficiary may elect.

Should the grantor fail to keep any of the foregoing covenants, then the default, and balance remaining in the reserve account shall be credited to the indebtedness. If the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the grantor shall pay the deficit to the beneficiary upon demand, and if not paid within ten days after such demand, the beneficiary may at its option add the amount of such deficit to the principal of the obligation secured hereby.

The grantor hereby covenants to and with the trustee and the beneficiary herein that the said premises and property conveyed by the trust deed are free and clear of all encumbrances, and that the grantor will and his heirs, executors and administrators shall warrant and defend his said title thereto against all persons whomsoever.

The grantor covenants and agrees to pay said note according to the terms thereof and, with all taxes, assessments and other charges levied against said property to keep said property free from all encumbrances having pre-existed over this trust deed; to complete all buildings in course of construction or hereafter constructed on said premises within six months from the date hereof or the date construction is hereafter commenced; to repair and restore promptly and in a good workmanlike manner any building or improvement on said property which may be damaged or destroyed and to pay all costs incurred therefor; to allow beneficiary to repair any part of said property at all times during construction; to remove any parts or materials unsatisfactory to beneficiary within fifteen days after written notice from beneficiary of such fact; not to damage or destroy any building or improvements now or hereafter constructed on said premises; to keep all buildings and improvements now or hereafter erected upon said property in good repair and to commit or suffer no waste of said premises; to keep all buildings, property and improvements now or hereafter erected on said premises continuously insured against damage by fire or such other hazards as the beneficiary may from time to time require in a sum not less than the original principal amount of the note, obligation secured by this trust deed, in a company or companies acceptable to the beneficiary, and to deliver the original policy of insurance in correct form and with approved loss payable clause in favor of the beneficiary attached and with premium paid to the principal place of business of the beneficiary at least one month prior to the effective date of any such policy of insurance. If the grantor fails to tender the policy of insurance to the beneficiary within thirty days after the date of this instrument, the beneficiary may in his own discretion obtain insurance for the benefit of the beneficiary, which insurance shall be non-cancellable by the grantor during the full term of the policy thus obtained.

In order to provide regularly for the prompt payment of said taxes, assessments or other charges and insurance premiums, the creditor agrees to pay to the beneficiary, together with interest, in addition to the monthly payments of principal and interest payable under the terms of the note or obligation secured by this instrument, an amount equal to one-twelfth (1/12th) of the taxes, assessments and other charges due and payable with respect to said property within each succeeding twelve months, and also one-thirty-sixth (1/36th) of the insurance premiums payable with respect to said property within each succeeding twelve months, while this trust deed remains in effect, at approximately the rate of interest charged by the creditor to the borrower, and shall thereupon be charged to the principal of the several purposes herein named; the sums so paid shall be held by the creditor in the option of the beneficiary, the sums so paid shall be held by the beneficiary in trust as a reserve account, without interest, to pay said premiums, taxes, assessments or other charges when they shall become due and payable.

While the grantor is to pay any and all taxes, assessments and other charges levied or assessed against said property, or any part thereof, before the same begin to bear interest and also to pay premium on all insurance policies upon said property, such payments may be made through the beneficiary, as aforesaid. The grantor hereby authorizes the beneficiary to pay any and all taxes, assessments and other charges levied or imposed against said property in the amounts as shown by the statements thereof furnished by the collector of such taxes, assessments or other charges, and to pay the insurance premiums in the amounts shown on the statements submitted by the insurance carriers or their representatives, and to charge said sums to the principal of the loan or to withdraw the same which may be established for the reserve account, if any, established for that purpose. The grantor agrees in no event to hold the beneficiary responsible for failure to have any insurance written or for any loss or damage arising out of a defect in any insurance policy, and the beneficiary hereby is authorized, in the event of any loss, to compromise and settle with any insurance company and to apply any such insurance proceeds to the obligations secured by this trust deed. In computing the amount of the indebtedness for payment and satisfaction in full, there shall be deducted any other acquisition of the property by the beneficiary after the date of the original conveyance.

default, any balance remaining in the reserve account shall be credited to the indebtedness. If the reserve account for taxes, assessments, insurance premiums and other charges is not sufficient at any time for the payment of such charges as they become due, the grantor shall pay the deficit to the beneficiary upon demand, and if not paid within ten days after such demand, the beneficiary may, at its option add the amount of such deficit to the principal of the obligation secured hereby.

Should the grantor fail to keep any of the foregoing covenants, then the beneficiary may at its option carry out or cause to be carried out its expenditures therefor shall draw interest thereon, and the same, with the note, shall be repayable by the grantor, and shall be secured by the lien of this trust deed. In any connection, the beneficiary shall have the right in its discretion to complete any improvements made on said premises and to make such repairs to said property as in its sole discretion it may deem necessary or advisable.

The grantor further agrees to comply with all laws, ordinances, regulations, covenants, conditions and restrictions which said property: to pay all costs, fees and expenses of the trustee, including the cost of title search, as well as the trustee's and expenses of the trustee incurred in connection with or in enforcing this obligation, and trustee's and attorney's fees actually incurred; to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of the beneficiary or trustee; and to pay any costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum to be fixed by the court in any such action or proceeding in which the beneficiary or trustee may appear and in any suit brought by beneficiary to foreclose this deed, and all said sums shall be secured by this trust.

The beneficiary will furnish to the grantor on written request therefor an annual statement of account but shall not be obligated or required to furnish any further statements of account.

It is mutually agreed that:

It is mutually agreed that:

1. In the event that any portion or all of said property shall be taken under the right of eminent domain or condemnation, the beneficiary shall have the right to commence, prosecute in its own name, appear in or defend any action or proceeding, or to make any compromise or settlement in connection with such taking and, if it so elects, to require that all or any portion of the amount recoverable as compensation for such taking, which are in excess of the amount required to pay all reasonable costs, expenses and attorney's fees necessarily paid or incurred by the grantor in the prosecution, shall be paid to the beneficiary and applied by it toward upon any reasonable costs, and expenses and attorney's fees necessarily paid or incurred by the beneficiary in such proceedings, and the same so applied upon the indebtedness secured hereby; and the grantor agrees, at its own expense, to take such actions and execute such instruments as shall be necessary in obtaining such compensation, promptly upon the beneficiary's request.

2. At any time, and from time to time, upon written request of the beneficiary, paying all fees and presentation of this deed; and the note for one-half of the amount due, in case of full reconveyance, for cancellation), without affecting the liability of any person for the payment of the indebtedness, the trustee may (a) consent to the making of any map or plat of said property; (b) join in granting any easement or creating any restriction thereon; (c) join in recording or otherwise agreeing to affect this deed or the title of said property, or other agreement affecting this deed or the title of said property, without warranty, all or any part of the property. The grantee in any reconveyance or other transfer, shall be a "person or persons legally entitled thereto" and

ance may be described as the "person or persons" to whom the  
recitals therein of any matters or facts shall be conclusive proof of the  
truthfulness thereof. Trustee's fees for any of the services in this paragraph  
shall be \$5.00.

3. An additional security, grantor hereby assigns to beneficiary during the  
continuance of these trusts all rents, issues, royalties and profits of the property  
affected by this Deed and of any personal property located thereon which  
grantor shall default in the payment of any indebtedness secured hereby or  
which grantor shall default in the performance of any agreement hereunder, and which shall have the right to collect  
the performance of any agreement hereunder, and which shall have the right to collect  
all such rents, issues, royalties and profits earned prior to default as they  
become due and payable. Upon default by the grantor hereunder, the bene-  
ficiary may at any time without notice, either in person, by agent or by a re-  
ceiver appointed by a court, without regard to the adequacy of any  
security for the indebtedness hereby secured, enter upon and take possession of  
said property, or any part thereof, in its own name sue for or otherwise collect  
the rents, issues and profits, including those past due and unpaid, and apply  
the same, less costs and expenses of operation and collection, including reasonable  
attorney's fees, upon any indebtedness secured hereby, and in such order  
as the beneficiary may determine.

4. The entering upon and taking possession of said property, the collection of such rents, issues and profits or the proceeds of fire and other insurance policies or compensation or account for the taking or damage of the property, and the application or release thereof, as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

5. The grantor shall notify beneficiary in writing of any sale or contract for sale of the above described property and furnish beneficiary on a form supplied it with such personal information concerning the purchaser as would ordinarily be required of a new loan applicant and shall pay beneficiary a service charge.

6. Time is of the essence of this instrument and upon default by the grantor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, the beneficiary may declare all sums secured hereby immediately due and payable by delivery to the trustee of written notice of default and election to sell the trust property, which notice trustee shall cause to be duly filed for record. Upon delivery of said notice of default and election to sell, the beneficiary shall deposit with the trustee this trust deed and all papers, notes and documents evidencing expenditures secured hereby, whereupon the trustee shall fix the time and place of sale and give notice thereof as then required by law.

7. After default and any time prior to five days before the date set by the Trustee for the Trustee's sale, the grantor or other person so privileged may pay the entire amount then due under this trust deed and the obligations secured thereby (including costs and expenses actually incurred in enforcing the terms of the obligation and trustee's and attorney's fees not exceeding \$50.00 each) other than such portion of the principal which would not then be due had no default occurred and thereby cure the default.

8. After the lapse of such time as may then be required by law following the recording of said notice of default and giving of said notice of sale, the trustee shall sell said property at the time and place fixed by him in said notice of sale, either as a whole or in separate parcels, and in such order as he may determine, at public auction to the highest bidder for cash, in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale and from time to time thereafter may postpone the sale by public an-

nouncement at the time fixed by the preceding postponement. The trustee shall deliver to the purchaser his deed in form as required by law, conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, excluding the trustee but including the grantor and the beneficiary, may purchase at the sale.

9. When the Trustee sells pursuant to the powers provided herein, the trustee shall apply the proceeds of the trustee's sale as follows: (1) To the expenses of the sale including the compensation of the trustee, and a reasonable charge by the attorney. (2) To the obligations secured by the trust deed. (3) To all persons having recorded items subsequent to the interests of the trustee in the trust deed as their interests appear in the order of their priority. (4) The surplus, if any, to the grantor of the trust deed or to his successor in interest entitled to such surplus.

10. For any reason permitted by law, the beneficiary may from time to time appoint a trustee or trustees successors to any trustee named herein, or to any time appointed heretofore. Upon such appointment and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee herein named or appointed hereunder. Each such appointment and substitution shall be made by written instrument executed by the beneficiary, containing reference to this trust deed and its place of record, which, when recorded in the office of the county clerk or recorder of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee.

11. Trustee accepts this trust when this deed, duly executed and acknowledged is made a public record, as provided by law. The trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which the grantor, beneficiary or trustee shall be a party unless such action or proceeding is brought by the trustee.

12. This deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "beneficiary" shall include wife, husband and owner, including pledgee, of the note, security, herein, whether or not named as a beneficiary herein. In construing this deed and whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

IN WITNESS WHEREOF, said grantor has hereunto set his hand and seal the day and year first above written.

*J. B. Henry* (SEAL)

*Thelma A. Henry* (SEAL)

STATE OF OREGON  
County of Klamath ss.

THIS IS TO CERTIFY that on this 25th day of May, 1977, before me, the undersigned, a Notary Public in and for said county and state, personally appeared the within named J. B. HENRY and

THELMA A. HENRY, husband and wife.

to me personally known to be the identical individual(s) named in and who executed the foregoing instrument and acknowledged to me that they executed the same freely and voluntarily for the uses and purposes therein expressed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

*Laur Owens*  
Notary Public for Oregon  
My commission expires: 5-14-80

(SEAL)

Loan No. \_\_\_\_\_

## TRUST DEED

Grantor

TO  
FIRST FEDERAL SAVINGS &  
LOAN ASSOCIATION

Beneficiary

After Recording Return To:  
FIRST FEDERAL SAVINGS  
540 Main St.  
Klamath Falls, Oregon

(DON'T USE THIS  
SPACE RESERVED  
FOR RECORDING  
LABEL IN COUNTIES  
WHERE USED.)

STATE OF OREGON } ss.  
County of Klamath }

I certify that the within instrument was received for record on the 31st day of May, 1977, at 12:38 o'clock P.M. and recorded in book M77 on page 9418 Record of Mortgages of said County.

Witness my hand and seal of County affixed.

WM. D. MILNE

County Clerk

Deputy

FEE \$ 6.00

## REQUEST FOR FULL RECONVEYANCE

To be used only when obligations have been paid.

TO: William Ganong Trustees

The undersigned is the legal owner and holder of all indebtedness secured by the foregoing trust deed. All sums secured by said trust deed have been fully paid and satisfied. You hereby are directed, on payment to you of any sums owing to you under the terms of said trust deed or pursuant to statute, to cancel all evidences of indebtedness secured by said trust deed (which are delivered to you herewith together with said trust deed) and to reconvey, without warranty, to the parties designated by the terms of said trust deed the estate now held by you under the same.

First Federal Savings and Loan Association, Beneficiary

by \_\_\_\_\_

DATED: \_\_\_\_\_, 19\_\_\_\_